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ATTORNEYS FOR LESLIE PRITCHARD

## IN THE UNITED STATES BANKRUPTCY COURT FOR THE NORTHERN DISTRICT OF TEXAS AMARILLO DIVISION

| IN RE:   | §<br>s         |                         |
|--|----------------|-------------------------|
| MICHAEL STEPHEN GALMOR,  | 8<br>§<br>8    | CASE NO. 18-20209-RLJ-7 |
| Debtor.  | 8<br>§<br>8    |                         |
| And  | \$<br>\$<br>8  |                         |
| GALMOR'S/G&G STEAM SERVICE, INC.,  | \$<br>\$<br>\$ | CASE NO. 18-20210-RLJ-7 |
| Debtor.  | §              |                         |
| In re: THE LIQUIDATION OF THE GALMOR FAMILY LIMITED PARTNERSHIP, and GALMOR MANAGEMENT, LLC, | ***            | ADVERSARY NO. 19-2006   |

## LIMITED OBJECTION OF LESLIE PRITCHARD TO MOTION TO DECLARE OWNERSHIP OF THE ESTATE IN THE GFLP PROCEEDS

TO THE HONORABLE ROBERT L. JONES, U.S. BANKRUPTCY JUDGE:

COMES NOW Leslie Pritchard ("<u>Pritchard</u>"), individually and as the court-appointed liquidation of the Galmor Family Limited Partnership (the "<u>GFLP</u>"), and files this *Limited Objection* (the "Objection") to the *Motion to Declare Ownership of the Estate In the GFLP* 

Properties (the "Motion"), filed by Kent Ries, Trustee (the "Trustee"), respectfully stating as follows:

- 1. The Motion requests two forms of relief.
- 2. First, the Trustee requests a declaration that a settlement not signed by him, purporting to affect his estate's interest in the GFLP, is not binding on him. Pritchard agrees—the settlement is not binding on the estate and has not divested the estate of whatever interests it has in the GFLP.
- 3. The second request is more problematic. Here, the Trustee seeks a declaration that his estate owns 25% of the GFLP, based on the schedules of the debtor. Obviously, those schedules are not sufficient to prove ownership; otherwise any estate would acquire whatever a debtor happens to schedule as an asset. The Trustee has presented no other reason for why his estate should own 25% of the GFLP. The rules of litigation and due process demand otherwise.
- 4. Pritchard admits that the estate owns interests in the GFLP. There are two problems, however. The first is whether the estate indirectly owns 20% (as believed by Pritchard) or 25%. The second is that Pritchard, in a separate Adversary Proceeding (20-2003), seeks to have the estate forfeit its interests based on the prepetition misconduct, breaches of duty, and self-dealing of the debtor. The Motion appears to be an attempt to short-circuit these live issues, set for trial early next year.
- 5. Pritchard is therefore forced to file this Objection and to assert, under Bankruptcy Rules 7001, 7008, and due process, that the Trustee cannot proceed in the summary fashion he has. He has presented no allegations or documents substantiating his allegation of ownership, other than inadmissible schedules, and he has asserted no cause of action to determine property ownership rights. Pritchard also submits that the Trustee' relief is premature. This Court should first try the other Adversary Proceeding to determine whether the estate should forfeit its interests.

And, if the Court allows the Trustee's million dollar claims in that suit, then there will be nothing

for equity owners and the Motion will become moot.

6. Pritchard therefore requests that the Court deny the Motion, with respect to the

extent of the estate's ownership of the GFLP, without prejudice to such issue being asserted and

tried in a procedurally proper posture once the other Adversary Proceeding is adjudicated.

WHEREFORE, PREMISES CONSIDERED, Pritchard respectfully requests that the Court

enter an order denying, with prejudice, the Motion to the extent the Motion seeks to determine the

extent of the estate' interests in the GFLP.

RESPECTFULLY SUBMITTED this 18th day of November, 2021.

MUNSCH HARDT KOPF & HARR, P.C.

By: /s/ Davor Rukavina

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ATTORNEYS FOR LESLIE

**PRITCHARD** 

**CERTIFICATE OF SERVICE** 

The undersigned hereby certifies that, on this the 18th day of November, 2021, a true and correct copy of this document was electronically served by the Court's ECF system on the Trustee.

By: /s/ Davor Rukavina

Davor Rukavina, Esq.